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"Harnessing the Winds of Change", Montana AFL-CIO Convention

Max S. Baucus

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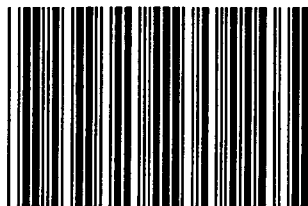
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(2) Subject* **Harnessing the Winds of Change**

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BAUCUS

*Someone: Please put
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Per 9/8*

SPEECH BY SENATOR MAX BAUCUS
MONTANA AFL-CIO CONVENTION
"HARNESSING THE WINDS OF CHANGE"

INTRODUCTION

THANKS, AND HELLO TO JIM (MURRY), DON
(JUDGE), AND OTHER FRIENDS

SIXTY-SIX YEARS AGO TODAY, FRANKLIN DELANO
ROOSEVELT COMPLETED HIS FIRST CAMPAIGN SWING
THROUGH MONTANA. HE WAS RUNNING FOR VICE
PRESIDENT AGAINST THE HARDING/HOOVER TICKET.

THOSE WERE THE ROARING TWENTIES, WHEN THE
STOCK MARKET WAS SOARING AND WALL STREET
SPECULATORS WERE RAKING IN MILLIONS.

BUT FDR UNDERSTOOD THAT ECONOMIC DEVELOPMENT
IS ABOUT MORE THAN JUST EASY PROFITS FOR THE
PRIVILEGED FEW.

IT'S ABOUT PEOPLE

IT'S ABOUT JOBS.

IT'S ABOUT A DECENT STANDARD OF LIVING FOR
WORKING MEN AND WOMEN.

THESE THINGS ARE AS IMPORTANT TODAY THEY WERE
IN THE 1920s.

IT'S FINE FOR PRESIDENT REAGAN TO CROW ABOUT
THE STOCK MARKET AND CORPORATE BALANCE SHEETS.

BUT, WHETHER HE KNOWS IT OR NOT, THIS
COUNTRY'S ECONOMIC FOUNDATION IS CRUMBLING
BENEATH OUR FEET.

THE TRADE CRISIS

IN MANY WAYS, THE ECONOMIC PROBLEM COMES DOWN
TO INTERNATIONAL TRADE.

LAST WEEK, YOU SENT ME A "TRADE BASKET." IT
WAS FILLED WITH AMERICAN PRODUCTS, LIKE WHEAT,
LUMBER, AND COPPER WIRE, THAT FACE FIERCE FOREIGN
COMPETITION.

THAT TRADE BASKET SYMBOLIZES WHAT I BELIEVE
IS THE GREATEST CHALLENGE OUR COUNTRY HAS FACED
SINCE WORLD WAR II: THE TRADE CRISIS.

THIS YEAR, OUR TRADE DEFICIT WILL HIT \$170
BILLION.

FOR EVERY \$2 WORTH OF U.S. GOODS GOING OUT,
\$3 WORTH OF FOREIGN GOODS WILL BE COMING IN.

TRADE SENSITIVE INDUSTRIES LIKE AGRICULTURE,
MINING, FOREST PRODUCTS, AND MANUFACTURING ARE
SLIDING INTO A RECESSION, DRAGGING COMMUNITIES AND
ENTIRE REGIONS DOWN WITH THEM.

AND MILLIONS OF JOBS HAVE BEEN LOST.

YOUR LEADERSHIP UNDERSTANDS THIS. AS JIM
TOLD THE WETA CONFERENCE THREE WEEKS AGO, "WE
SIMPLY CANNOT SIT BACK AND WATCH THE EROSION OF
THE ECONOMIC BASE OF THIS COUNTRY."

IT'S TIME TO FIGHT BACK.

BUT WE'VE HAVE TO FIGHT BACK ON TWO FRONTS.

WE HAVE TO ATTACK UNFAIR FOREIGN TRADE
PRACTICES.

AND WE ALSO HAVE TO RESTORE AMERICA'S LEAD IN
BASIC ECONOMIC PRODUCTIVITY.

TRADE LAW REFORM

THE FIRST STEP IS ATTACKING UNFAIR FOREIGN
TRADE PRACTICES.

FOR YEARS, AMERICA HAS PLAYED THE PATSY.

WE HAVE NAIVELY TRIED TO ACHIEVE FREE TRADE
BY EXAMPLE.

BUT OTHER COUNTRIES HAVEN'T FOLLOWED OUR
EXAMPLE. THEY'VE PROTECTED THEIR OWN MARKETS AND
SUBSIDIZED THE INVASION OF OURS.

JAPAN BLOCKS OUR BEEF EXPORTS.

CANADA FLOODS OUR MARKET WITH SUBSIDIZED
LUMBER.

THE LIST GOES ON AND ON.

A FEW WEEKS AGO I LEARNED ABOUT A MONTANA CEMENT PRODUCER WHO SUBMITTED THE LOW BID ON FOR A PROJECT UP IN ALBERTA, BUT WAS REJECTED BECAUSE HE WASN'T CANADIAN. I'VE INTERVENED IN OTTOWA, AND I THINK WE CAN TURN THAT ONE AROUND.

BUT ENOUGH IS ENOUGH.

AMERICAN INDUSTRY CAN SLUG IT OUT WITH ANYBODY, BUT NOT WITH ONE HAND TIED BEHIND ITS BACK.

THAT'S WHERE THE TRADE LAWS COME IN.

OUR TRADE LAWS ARE SUPPOSED TO MAKE SURE THAT AMERICAN COMPANIES AND FOREIGN COMPANIES PLAY BY THE SAME RULES. BUT IN FACT, THE TRADE LAWS ARE RIDDLED WITH LOOPHOLES AND HAVEN'T BEEN ENFORCED.

AT THE BEGINNING OF THIS CONGRESS, I WORKED WITH YOUR WASHINGTON REPRESENTATIVES TO WRITE THE "TRADE LAW MODERNIZATION ACT," WHICH CLOSES

LOOPHOLES AND CRACKS DOWN ON UNFAIR FOREIGN TRADE PRACTICES.

SIX MONTHS AGO, THE HOUSE PASSED A TRADE BILL THAT INCORPORATES MANY OF OUR IDEAS.

THE BILL HAS BEEN SENT OVER TO THE SENATE FINANCE COMMITTEE.

I'M ON THAT COMMITTEE. WE'VE HELD ABOUT 10 DAYS OF HEARINGS. WE'VE GONE OVER THE BILL WITH A FINE-TOOTH COMB.

BUT THE REPUBLICAN LEADERSHIP OF THE COMMITTEE STILL WON'T BRING THE BILL UP FOR A VOTE.

FRANKLY, THEY'RE STALLING.

AND DOWN AT THE WHITE HOUSE, PRESIDENT REAGAN CALLS EVERY SINGLE TRADE BILL PROTECTIONIST. HE SEEMS TO HAVE TAKEN HIS TRADE POLICY FROM THE LINE IN AN OLD MARX BROTHERS MOVIE: "WHATEVER IT IS, I'M AGAINST IT."

WELL, LET ME TELL YOU SOMETHING.

HE'S NOT GETTING OUT OF THIS ONE SO EASY.

MEANINGFUL TRADE LAW REFORM IS LONG OVERDUE.

AND WE'RE GOING TO GET IT.

LAST WEEK, SENATOR LLOYD BENTSEN AND I PERSUADED ALL 47 SENATE DEMOCRATS TO ISSUE A STATEMENT CALLING FOR ACTION ON A TRADE BILL THIS YEAR.

IF WE CAN'T CONVINCE THE REPUBLICANS ON THE FINANCE COMMITTEE TO COOPERATE, WE'LL TAKE TRADE REFORM STRAIGHT TO THE SENATE FLOOR.

AND THEN, WE'LL LET THE CHIPS FALL WHERE THEY MAY.

INCREASING PRODUCTIVITY

BUT ATTACKING UNFAIR FOREIGN TRADE PRACTICES IS ONLY PART OF THE PROBLEM.

TO KEEP AMERICA ON TOP FOR THE LONG HAUL,
WE HAVE TO INCREASE OUR ECONOMIC PRODUCTIVITY
FASTER THAN OUR FOREIGN COMPETITORS INCREASE
THEIRS.

BUT THAT HASN'T BEEN HAPPENING.

SINCE 1960, AMERICA'S ANNUAL PRODUCTIVITY
GROWTH RATE HAS BEEN 2.7%.

SOUNDS PRETTY GOOD.

BUT BRITAIN, FRANCE AND GERMANY HAVE IN-
CREASED THEIR PRODUCTIVITY EVEN FASTER, AND JAPAN
HAS INCREASED ITS PRODUCTIVITY ALMOST THREE TIMES
FASTER.

WE'VE GOT TO TURN THIS TREND AROUND.

IN THE END, WE HAVE TO COMPETE OUR WAY OUT OF
THE TRADE DEFICIT, BY ACCELERATING OUR
PRODUCTIVITY.

DON'T GET ME WRONG. IN SOME CIRCLES, THE WORD "PRODUCTIVITY" IS A CODE WORD FOR BUSINESS TAX BREAKS, DEREGULATION, AND UNION-BUSTING.

WHAT PRODUCTIVITY REALLY MEANS IS GIVING AMERICAN WORKERS THE WEAPONS TO COMPETE IN A CHANGING, HIGH-TECH WORLD.

SO HOW DO WE INCREASE PRODUCTIVITY?

WE INCREASE PRODUCTIVITY BY IMPROVING EDUCATION.

OUR KIDS ARE GOING TO NEED HIGH-TECH SKILLS TO COMPETE IN THE FAST-PACED JOB MARKET OF THE 1990s. BUT THE AVERAGE JAPANESE 17-YEAR OLD KNOWS TWICE AS MUCH MATH AS THE AVERAGE AMERICAN 17-YEAR OLD.

SO INSTEAD OF SPENDING \$100 MILLION TO FINANCE A WAR IN CENTRAL AMERICA, WE SHOULD BE PUTTING MORE COMPUTERS IN OUR CLASSROOMS AND PAYING TEACHERS A DECENT WAGE.

WE ALSO INCREASE PRODUCTIVITY BY INCREASING SAVINGS RATES.

TO PRODUCE MORE JOBS, AMERICAN COMPANIES NEED LOW-INTEREST CAPITAL. IF WE IMPORT THAT CAPITAL FROM OVERSEAS, IT DRIVES UP THE VALUE OF THE DOLLAR AND MAKES IMPORTS CHEAPER. WE'VE GOT TO RAISE OUR CAPITAL HERE AT HOME, BY ENCOURAGING MORE SAVING.

SO SHOULD BE DOING A LOT MORE TO EXPAND PENSION PLANS AND IRAS.

WE ALSO INCREASE PRODUCTIVITY BY GIVING WORKERS MORE FLEXIBILITY.

SOCIETY IS CHANGING, AND THE WORKPLACE MUST CHANGE ALONG WITH IT.

AN EXAMPLE IS THE TWO-EARNER FAMILY.

WE'RE THE ONLY MAJOR COUNTRY THAT DOESN'T GUARANTEE ONE PARENT THE RIGHT TO SPEND TIME AT HOME WITH A NEW CHILD AND THEN RETURN TO WORK.

OUR FAILURE TO PROTECT PARENTS RIGHTS IS BAD SOCIAL POLICY. IT FORCES MANY FAMILIES TO CHOSE

BETWEEN GETTING AHEAD ECONOMICALLY AND SPENDING TIME WITH THEIR KIDS.

BUT IT'S ALSO BAD ECONOMIC POLICY, BECAUSE IT PREVENTS MILLIONS OF TALENTED WOMEN FROM REALIZING THEIR FULL ECONOMIC POTENTIAL.

FINALLY, WE INCREASE PRODUCTIVITY BY IMPROVING THE RELATIONSHIP BETWEEN MANAGMENT AND LABOR.

AMERICAN MANAGERS CONTINUE TO SEE LABOR AS JUST ANOTHER VARIABLE COST. THEY WILL SACRIFICE WAGES AND WORKERS BEFORE THEY'LL SACRIFICE A QUARTERLY EARNINGS REPORT.

BUT TAKE A LOOK AT THE OTHER COUNTRIES THAT HAVE BEEN CATCHING UP TO US. THEY TAKE A DIFFERENT APPROACH. THEY SEE LABOR AS A LONG-TERM ASSET. THEY BUILD TRUST AND GIVE WORKERS A STAKE IN THE OPERATION.

IT WORKS THERE, AND IT CAN WORK HERE.

~~CONFIDENTIAL~~

Conclusion

SO WE HAVE TWO TASKS AHEAD.

FIRST, WE HAVE TO OUT-MUSCLE THE SENATE
REPUBLICANS AND PRESIDENT REAGAN, SO THAT WE CAN
PASS A TOUGH TRADE REFORM BILL.

THAT WON'T BE EASY.

AND WE'LL NEED YOUR HELP.

EVEN IF WE SUCCEED, WE'LL HAVE ANOTHER TASK.
WE HAVE TO INCREASE LONG-TERM AMERICAN
PRODUCTIVITY.

AND THAT WILL BE A GREAT CHALLENGE, REQUIRING
FUNDAMENTAL CHANGES IN THE WAY WE OPERATE.

BUT AFTER ALL, MEETING CHALLENGES IS WHAT
MONTANA IS ALL ABOUT.

AS FDR WROTE ON THE NIGHT BEFORE HE DIED,
"THE ONLY LIMIT TO OUR REALIZATION OF TOMORROW
WILL BE OUR DOUBTS OF TODAY. LET US MOVE FORWARD
WITH STRONG AND ACTIVE FAITH."

Thank you.

LES TURN TABLES ON EN

Franklin D. Roosevelt Will Be Here Tonight

ALL PLANS ARRANGED FOR ENTERTAINMENT OF DEMOCRATIC VICE PRESIDENTIAL CANDIDATE IN HELENA—DINNER AT BROADWATER IS TO PRECEDE HIS SPEECH, WHICH IS TO BEGIN AT 8 O'CLOCK.

Franklin D. Roosevelt, vice presidential nominee of the democratic party will be the guest of Helena this evening and will deliver an address on the issues of the campaign at the city Auditorium promptly at 8 o'clock. All arrangements have been completed for his reception and entertainment and for the handling of the large crowd which is expected to be present to hear the speaker and candidate who has electrified crowds on his tour which began over a week ago.

Governor Samuel V. Stewart, who had the honor of putting the motion at San Francisco to make the nomination of Mr. Roosevelt unanimous, will preside at the meeting this evening. Governor Stewart accompanied by W. W. McDowell met the distinguished guests at the state line yesterday morning and are escorting him through the state.

Mr. Roosevelt will be entertained at dinner at the Broadwater hotel this evening just before the meeting opens. Following his address this afternoon at the farmers' picnic at Deer Lodge, which address will be non-political, Mr. Roosevelt and his party will travel by automobile over the Priest Pass road and will be met at the foot of the pass by the Helena reception committee and taken to the Broadwater.

Following the big meeting to be held this afternoon in Butte, Mr. Roosevelt is to speak at the Commercial club day picnic of the clerks of Butte and Anaconda which is being held at Anaconda. He will speak there during the noon hour and will proceed by automobile from there to the Deer Lodge picnic. Mr. Roosevelt consented to make the speech at Anaconda at the urgent request of the clerks although his schedule only called for three speeches in this state; at Billings, Butte and Helena, he also decided to make the trip to Deer Lodge because of the request of those in charge of that affair.

Band Will Be Out. Promptly at 7:30 o'clock this evening the Capital city band will dispense music at the corner of Broad

BUTTE NEEDS THE MONEY AND MAC AMONG THOSE WHO ARE ASSESSED FIVE

Butte, Aug. 17.—Liaman

way and Main. From there the band will proceed to the corner of Grand and Main where a few selections will be rendered and during the remaining time until 8 o'clock music will be heard at the corner of Sixth and Main and the band will then proceed to the Auditorium just before the meeting opens.

Following the speaking at the Auditorium an informal reception will be held at the Placer hotel to give the citizens an opportunity to meet Mr. Roosevelt. The band will furnish music at the Placer also.

BIG CROWDS EXPECTED AT BUTTE MEETING

Butte, Aug. 17.—Final arrangements for the reception and entertainment of Franklin D. Roosevelt, democratic nominee for vice president, who will speak in Butte tomorrow, were completed today. Bruce Kremer, vice chairman of the democratic national committee announced today. Telegraph and telephone messages received by Mr. Kremer indicate that every section of the state will be represented by delegations who will arrive in Butte tonight and early tomorrow morning to greet Mr. Roosevelt.

ENGLISH AND FRENCH REDS IN NEW PACT FRANCE EXPELS THE BRITISH AGITATORS

Paris, Aug. 17.—William Adamson, labor member of the British parliament, and Harry Gosling, leader of the English transport workers, representing the Council of Action of the British labor party, left for London.

Position of British on General Wrangel

London, Aug. 17.—Premier Lloyd George, in a detailed reply to the request of Leo Kamenoff of the Russian mission in London for an exact definition of Great Britain's attitude toward General Baron Wrangel, anti-bolshevik leader in South Russia, says that the British government never had the intention to detach the Crimea from Russia, or secure its possession to General Wrangel or encourage Wrangel in his offensive.

The British government, the premier adds, is only concerned with insuring the safety of troops and refugees under Wrangel, who, Mr. Lloyd George says, has been successful in his policy.

REAL ISSUE IS REACTIONARY G. O. P. POLICY!

By Associated Press. Billings, Aug. 17.—Franklin D. Roosevelt, democratic vice presidential nominee, tonight in an address appealed to republicans to vote the democratic ticket this year and thus "repudiate the actions of republican leaders at the Chicago convention."

He declared he did not attack the republican party, but those leaders who, he said, decided the nomination "in the back room of a hotel."

No War Issue. Replying to a note which was this morning placed in the hands of the reception committee by a local republican, Mr. Roosevelt said he did not consider prohibition an issue in the present campaign.

"The eighteenth amendment is here," he said, "and it seems that it is going to stay."

"I have no quarrel," he said, "with those who sincerely oppose the league of nations, but I do condemn those senators who have blocked peace for partisan reasons."

He declared the league of nations covenant to be based upon the same principles as the Monroe Doctrine.

The Real Issue. The broad issue of the present campaign, he said, was the progressive-ness of the democratic party contrasted to the reactionary attitude of the leaders of the republican party.

Mr. Roosevelt spoke in a chautauqua tent.

ment, and Harry Gosling, leader of the English transport workers, representing the Council of Action of the British labor party, left for London.

(Continued on Page 4, Column 7)

Hope to Keep Coal Upon a Low Level

By Associated Press. Washington, Aug. 17.—Active steps to limit the prices charged consumers for coal in various parts of the country will be begun shortly by department of justice, it was said tonight by officials of the department.

No attempt will be made to fix a price on coal, it was said, as the attorney has pointed out that prosecution for violations of the law will be made only if the price of coal can be kept within reasonable bounds.

French Tactics Drive Russ Bolshevik Back

STROKE FOR CAPITAL REPULSED AND THERE IS A HOPE THAT THE POLES WILL SUCCEED IN AN EFFORT TO DRIVE FOE OFF—PEACE DELEGATES HAVE ARRIVED AT MINSK, TO BEGIN THE PARL

Warsaw, Aug. 17. (By The Associated Press.)—Reports of Polish military successes came to Warsaw today while the population was awaiting news from Minsk, where the Polish peace delegates are negotiating with the representatives of the Russian soviet government.

Only report of the delegates was a Moscow wireless message stating that the party had arrived in Minsk.

A successful counter-offensive was launched on the Warsaw front Monday, under the leadership of General Pulaski, as commander-in-chief.

Reds Driven Back. On the northern front, where 10 bolshevik divisions are striking toward the Vistula, as part of the maneuver against Warsaw, and on the Warsaw front it was announced today the reds had been driven back at several points.

Polish movements, aided by heavy artillery, are forcing the bolsheviks gradually to withdraw from various places where for days pressure on the capital has been greatest.

In the fighting in the region of Radzymin, northeast of Warsaw, the Poles have taken many prisoners, including a bolshevik commissary and brigade commander. During the battle there, a Polish captain of the eighth infantry, Ignacy Korupka, was killed while leading the attacking forces clad in his church robes, and with a crucifix in his hand. Five Polish officers were also killed and eleven were wounded.

Use French Tactics. French tactics are being used throughout the counter action. The

Fortune in Bonds Has Disappeared

By Associated Press. New York, Aug. 17.—Police of New York and Milwaukee are searching for railroad bonds, said to have a market value of \$100,000, which disappeared last month while on their way here from Milwaukee by registered mail.

The missing bonds were registered in the Milwaukee postoffice, on July 28, consigned to a Wall street brokerage house. Two days later the Milwaukee branch office inquired regarding the securities and learned they had never been received. The lost paper is negotiable and has a par value of \$200,000.

CORK MAYOR DEPORTED.

Cork, Ireland, Aug. 17.—Terrence MacSweeney, lord mayor of Cork, was deported to England today aboard the destroyer, after having been found guilty of sedition by court martial yesterday. MacSweeney still refused to eat.

Poles are bringing into play battalions placed for the capital's defense and are awaiting completion of arrangements to strike, at the same time, forces with a rush of artillery, followed by repeated infantry attacks.

POLISH SUCCESS VITAL

Paris, Aug. 17.—Tireless effort the Poles to push back the invading bolsheviks have resulted in the securing of important strategic positions. Three days ago the Polish forces faced an extremely critical situation with the red center virtually ringed by the outer forces of the capital.

(Continued on Page 3, Column 1)

Many Helena Veterans Honored

By Associated Press. Missoula, Aug. 17.—The conferring of the order of priesthood upon all priests and past high priests marks the closing of the 31st annual convocation of Grand Chapter of the Royal Arch Masons tonight.

The day's activities culminated in a noon to serve the grand chapter of Royal Arch Masons during the convocation.

David Craig, Conrad, Grand Master; Claude J. McAllister, Kallis, Grand King; D. S. MacLeod, P. Grand Scribe; Edw. C. Day, H. Grand Treasurer; Cornelius Hed Jr., Helena, Grand Secretary; H. Hepner, Helena, Grand Captain of Host; H. L. Hart, Helena, Prince Sojourner; S. M. Bell, Glendive, Grand Royal Arch Captain.

Western Sun Chapter, of Missoula, according to the report of the grand secretary, Cornelius Hedges, Jr., elected the greatest number of royal Masons of any lodge in the state last year. Great Falls chapter number carried off the honors.

Tomorrow delegations from the blue lodges A. F. and A. M. will present in full force. There are more than 16,000 master masons in the state of Montana. The masonic lodge was established in this state 31 years ago at Virginia City.

Two Butte Veterans Killed by Narcob